



REQUEST FOR PROPOSALS
FOR
FEASIBILITY STUDIES

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY
30 SOUTH MERIDIAN STREET
SUITE 1000
INDIANAPOLIS, IN 46204
317-232-7777

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TABLE OF CONTENTS

PART 1	REQUEST FOR PROPOSAL (RFP) OVERVIEW
1.1	OBJECTIVES FOR THIS PROPOSAL
1.2	PRE-PROPOSAL TECHNICAL ASSISTANCE
1.3	STATEMENT OF WORK AND PERFORMANCE REQUIREMENTS
PART 2	RFP PROCESS
2.1	APPLICATION DEADLINES
2.2	RFP SUBMISSION ITEMS
2.3	APPLICATION REVIEW PROCESS
2.4	OTHER APPLICATION ITEMS
2.5	THRESHOLD ITEMS
2.6	PROPOSAL EVALUATION CRITERIA
PART 3	APPENDICES
PART 4	FORMS

PART 1

REQUEST FOR PROPOSAL (RFP) OVERVIEW

The Indiana Housing and Community Development Authority (IHCDA) seeks to award funds to Indiana cities, towns, and /or counties (which are outside of CDBG entitlement communities) to conduct Feasibility Studies for projects designed to create or preserve decent, safe, and affordable housing for the long term. IHCDA anticipates entering into a one-time contract for such activities that are detailed in Section 1.3 – Statement of Work and Performance Requirements.

Successful affordable housing developments begin with a solid development plan. The planning process should include a careful assessment of local needs, the existing housing market, the involvement of the local community, a financial feasibility assessment, an implementation schedule, and an identification of resources. Once a specific site is chosen, a Feasibility Study can provide development-specific information.

We suggest that you consider the following factors when undertaking affordable housing activities:

1. Applicants should work to meet the needs of their specific community.
2. Applicants are encouraged to reach the very low-income levels of 30% of area median income.
3. Applicants are encouraged to use Indiana contractors, employees, and products.
4. IHCDA encourages all developments to be energy-efficient and of the highest quality attainable within a reasonable cost structure.
5. Participation by affected low- and moderate-income citizens should be an integral part of the process. Applicants should describe the steps they will take to solicit public opinions and encourage low/moderate-income citizen participation and any formal capacities in which low- and moderate-income citizens will serve in the process.
6. Encourage the use of Minority Business Enterprise/Women-Owned Business Enterprise.

1.1 OBJECTIVES FOR THIS PROPOSAL

IHCDA has set aside \$100,000 in CDBG grant funds that we are seeking to provide to cities, town, and counties in Indiana to undertake Feasibility Studies for the development of safe, decent, and affordable housing for low-income families. The maximum award amount for each Feasibility Study is \$25,000.

1.2 PRE-PROPOSAL TECHNICAL ASSISTANCE

IHCDA staff will be available for technical assistance for this RFP. Technical assistance will be limited to clarification of the Statement of Work and Performance Requirements. Any entity interested in technical assistance should contact their Community Development Representative. To find your Community Development Representative, please go to:
<http://ihcda.in.gov/forms/communitydevelopmentreps.xls>

1.3 STATEMENT OF WORK AND PERFORMANCE REQUIREMENTS

A. Eligible Applicants

- a. Eligible applicants include only cities, towns, and counties that are outside of CDBG entitlement communities and whose proposed activities are consistent with the State's HUD-approved Consolidated Plan. Not-for-profit 501(c)3 or 501(c)4 organizations, regional planning commissions, public housing authorities, and townships are encouraged to participate in these activities as subrecipients of local units of government, but must apply through a sponsoring eligible city, town, or county.
- b. The following entitlement communities are not eligible to apply for CDBG funds:

Anderson	East Chicago	Gary	Kokomo	LaPorte	New Albany
Bloomington	Elkhart	Goshen	Indianapolis ²	Michigan City	South Bend
Columbus	Evansville	Hamilton County ¹	Lafayette	Mishawaka	Terre Haute
	Fort Wayne	Hammond	Lake County	Muncie	West Lafayette

1- The town of Sheridan when the housing activity is located in Hamilton County will be eligible to receive assistance.

2 - The cities of Beech Grove, Lawrence, Speedway, Southport, and the Town of Cumberland when the housing activity is located in Hancock County will be eligible to receive assistance.

B. Eligible Activities

- a. IHCD encourages investments that will preserve housing units as decent, safe, and affordable for the long term. Funds may be used for site- or area-specific Feasibility Studies that, if implemented, would be eligible for CDBG or HOME funding (i.e. that would target the low- and moderate-income population).
- b. Applications may be submitted to complete Feasibility Studies on the following development activities:
 - Homeowner Repair and Improvement
 - Rental (new construction or rehab)
 - Permanent Rental
 - Permanent Supportive Housing
 - Transitional Housing
 - Emergency Housing (new construction or rehab)
 - Youth Shelter (new construction or rehab)
 - Migrant/Seasonal Farm Worker Housing (new construction or rehab)
- c. Eligible activities include:
 - Research and data gathering.
 - Market studies.
 - Analysis of impediments to fair housing choice.
 - Environmental and historic preservation studies directly related to eligible housing.
 - Preliminary engineering and architectural plans.
- d. Eligible activities do not include:
 - Preparation of detailed engineering, architectural, and design materials ordinarily required for construction purposes.
 - Acquisition or disposition of real property including purchase options.
 - Relocation payments and other assistance for persons or businesses permanently or temporarily relocated as a result of the anticipated activity.
 - The costs associated with preparing applications to IHCD.

- The costs of implementing plans prepared with CDBG assistance, while not eligible costs under the Feasibility Study award, may still be eligible for CDBG or HOME funding if the implementing actions are part of a future award made to implement the Feasibility Study plan (i.e. while conducting an environmental review is not an eligible cost under this award, it may be eligible for reimbursement as a pre-agreement cost under a future CDBG or HOME award made to implement the project for which the ER was completed).
- Developments that have received or anticipate receiving IHCD CHDO Predevelopment Loan funds or a LIHTF Predevelopment Loan, unless the award was more than five years prior to the application due date.
- Property appraisals.

C. Term

- a. The study must be completed and all funds must be expended within a 12-month term.

D. Subsidy Limitations

- a. The maximum award amount for a Feasibility Study is \$25,000.
- b. 10% of the award will be held back until the Feasibility Study document is received and approved by IHCD, and until all closeout documents, including leverage information, have been received.

E. Leveraging Funds Requirements

- a. IHCD has a 10% leverage requirement on Feasibility Studies.

F. Activity Provisions

The following framework should be utilized in organizing the Feasibility Study. Each of the elements and methodologies listed below must be addressed in the study.

- **Introduction:** State the source of funding, including credit to the Indiana Housing and Community Development Authority and Community Development Block Grant program. Participating organizations, such as applicant, subrecipient, consultant, etc. should be cited.
- **Neighborhood/Location Issues:** Current zoning, appropriate infrastructure/utility service, negative neighborhood factors, suitability for type of residential development: homeownership or rental use.
- **Property Condition:** Environmental issues, lead-based paint, property condition, structural or site improvements needed.
- **Use Requirements/Possibilities:** preferred use; preferred mix, unit sizes and types, alternative uses; target population; and AMI levels to be served.
- **Supportive Services:** current housing delivery system, housing counseling, job programs, transportation, programs to assist homeless, elderly, disabled, etc.
- **Existing Residents and Relocation Requirements:** occupied units, income mix, interested residents, number to relocate.
- **Total Development Cost Estimate:** estimated acquisition cost, construction costs, other costs, cost per unit.
- **Development Design:** development design; accessible units; universal design features; green building techniques; energy conservation and energy efficiency techniques; energy star rated units; and historic preservation.
- **Market Affordability Assessment:**
 - Discuss population trends and demographics in the community and how these factors affect housing demands.
 - Discuss the location, availability, and type of publicly assisted housing in the community.

- Discuss the availability of private sector and public sector funds for housing. Identify the major impediments to accessing these resources by low-income households, or owners and developers of low-income housing. Describe any adverse effects market conditions have on producing rental housing, promoting new homeownership, or serving large families.
- Describe the local economic base and any foreseeable problems in the local economy. Identify all major employers and regional developments that affect housing demand.
- Describe all regulations affecting housing construction and rehabilitation including building permits and fees, building inspections, zoning ordinances, subdivision ordinances, housing standards, building codes, code enforcement, utility connection fees, historic districts, and floodplains.
- **Feasibility Assessment:** revenue to costs comparison, maximum debt service, possible financing sources, possible developers, and any assumptions included in these conclusions.
- **Implementation Plan:**
 - Set forth the specific activities that should be taken within the next 2 years to carry out the proposal that has been identified as feasible.
 - Include a timetable for implementation of the strategies.
 - Identify major milestones and a proposed completion date for each major milestone.
 - Describe the administrative structure through which the activities are to be provided.
 - Identify other organizations that will be involved with implementing activities.
 - Outline a public participation process to carry out the action plan.
 - Describe the involvement of the local governing body and any appointed committees or task force.
 - Describe the make-up of an appointed committee or taskforce, which should include substantial representation by low-income residents.

G. Eligible Activity Costs

Administration (limited to 5% of the award amount):

- Monitoring
- Compliance
- Financial Management
- Reporting
- Related Training
- Contracted services or consultant fees are reimbursable at a reasonable hourly rate
- For local units of government and subrecipients - only direct costs such as salaries and fringe benefits are reimbursable

Feasibility Studies (Planning)

- Overhead
- Program Management
- Meeting Space
- Data Gathering and Surveys
- Related Travel
- Postage
- Marketing and Advertising
- Photocopying
- Printing Fees
- Professional Services

Part II: RFP Process

2.1 Application Deadlines

Application Due at IHCDCA office	October 20, 2006
Award Announcement	December 14, 2006

2.2 RFP Submission Items

Please submit the following documents electronically (via CD, Diskette, or an email to your Community Development Representative):

- One completed copy of the final application forms
- All supporting documents required in the tabs

Please submit the following documents via hard copy:

- All forms that require original signatures

(Note: if unable to submit electronically, the supporting documents required in the tabs may be submitted via hard copy.)

All attachments should be separated by lettered tabs. See the Application Table of Contents, with the application forms, for a list of the contents of each tab and order of submission. Number each page of your tabs.

All applicants must retain a copy of this application package. Applicants that receive funding will be bound by the information contained therein.

Where to Submit All Hard Copy Materials and CDs or Diskettes

Attn: Feasibility Studies
Indiana Housing and Community Development Authority
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204
Fax: (317) 232-7778

IHCDA's offices are located on the tenth floor of 30 South Meridian Street. A map showing IHCDA's location is available in the Appendices.

2.3 Application Review Process

Each application must address one integrated housing activity. The program may have more than one component; however, it must clearly demonstrate an integrated approach to the problem described. Applications are reviewed in a three-step process:

Step One - Completeness On or before the application deadline, the applicant must provide all required exhibits and attachments. Periodically, IHCDCA staff will contact an applicant after an application deadline to request clarification of information contained in a pending application. These applications are not necessarily considered incomplete by IHCDCA. However, if the IHCDCA requests additional information from the applicant, all documents are due on or before the date provided by IHCDCA staff.

Step Two - Threshold The application must meet each of the applicable threshold criteria.

Step Three - Scoring

Applications that pass the completeness and threshold reviews are then scored according to IHCDAs' published scoring criteria. Applications failing to meet these requirements will not be scored.

IHCDA may allow additional information to be submitted for applications identified as being incomplete. Upon timely receipt of requested information, these applications may then be allowed to compete for funding. However, scoring-related items will not be accepted after the application is submitted to IHCDAs.

2.4 Other Application Items

A. CDBG Award Manual

This manual has been designed and written to assist in the implementation of housing programs receiving CDBG funds awarded by the IHCDAs. The procedures documented in this manual address the required record keeping systems, reporting requirements, award monitoring, and modification procedures in addition to specific program requirements, regulations and definitions. If you would like a copy prior to receiving an award, you may download a copy from http://ihcda.in.gov/nonprofits_compliance.aspx.

B. Compliance on Feasibility Studies

Recipients should direct paperwork and questions to the appropriate IHCDAs staff person. The chart below outlines appropriate IHCDAs staff:

Process	Contact Person
Draws	Accounting Associate
Ongoing TA & Closeout	Community Development Representative

C. Allowable Pre-Agreement Costs

All costs that are eligible for reimbursement under the Feasibility Studies program may be incurred prior to award execution by the applicant, subrecipient, or administrator procured by the applicant. Any pre-agreement cost incurred up to six months prior to the initial application date may be claimed by the recipient, so long as such claims are submitted within one year from the date of initial application.

2.5 Threshold Items

To be considered for funding, an applicant must meet **all** of the criteria listed below. Applications that fail to meet **any** of these criteria will not be scored. All required supporting documentation must be included in the application.

- A. On or before the application deadline, the applicant must provide all documentation as instructed in the "Feasibility Study Application." If the Authority requests additional information from the applicant, all documents are due on or before the date provided by IHCDAs staff.
- B. If the applicant, subrecipient, administrator, or any of their related parties have previously been involved with funds under any IHCDAs program, these entities must not be out of compliance and/or on any IHCDAs suspension list as of the application postmark date. If

one or more of these entities are suspended at any point during the review period prior to IHCD's Board award date, they will be evaluated on a case-by-case basis.

- C. While CDBG funds are intended to benefit low and moderate-income people, due to the nature of a Feasibility Study, all segments of the population should be evaluated to determine the need and/or demand for the development to be studied. However, the applicant must demonstrate that the undertaking being proposed will serve beneficiaries at or below 80% of Area Median Income. Rental development rents and occupancy restrictions must meet the applicable requirements throughout the specified period of affordability.
- D. The proposed housing activity must meet all the requirements as instructed in the "Application Process," "Eligible Activities," "Application Forms," and the "Appendices" sections of the Feasibility Study Application. In addition, the application must meet all the requirements under [42 USC 5301, et seq.](#) and [42 USC 12701 et seq.](#) and under the Community Development Block Grant regulations of [24 CFR 570](#).
- E. CDBG applicants and the proposed area of study must be located outside of entitlement communities.
- F. Each application must be for a single housing activity.
- G. IHCD reserves the right to disqualify from funding any application where the applicant, subrecipient, administrator, preparer or any of their related parties has a history of disregarding the policies, procedures, or staff directives associated with administering any IHCD program or programs of other State, Federal, or affordable housing entities, such as, but not limited to the Indiana Office of Rural Affairs, U.S. Department of Housing and Urban Development (HUD), U.S. Department of Agriculture - Rural Development, or Federal Home Loan Bank.
- H. All CDBG Applicants must hold one public hearing about the undertaking prior to application submission and, if funded, a second public hearing upon completion of the proposed undertaking. Further instructions for the requirements of the public hearing can be found in the Appendices section.

2.6 Proposal Evaluation Criteria

Following award announcement, all applicants that pass IHCD's completeness and threshold reviews will receive a copy of their final score sheet. A list will be posted of all funded and non-funded applicants on [IHCD's website](#), which will include the scores of all funded applicants.

A. Constituency Served

If the development to be studied is intended to serve or consider the needs of the following populations, points will be awarded in accordance with the following list:

1. Income Category Targeting (maximum of 3 AMI level categories)

Points available for non-homebuyer activities.

- | | |
|--|-----------|
| a. Less than or equal to 30% of area median income | 10 points |
| b. 30.1%-40% of area median income | 8 points |
| c. 40.1%-50% of area median income | 6 points |
| d. 50.1%-60% of area median income | 4 points |

2. Income Category Targeting (maximum of 3 AMI level categories)

Points available for homebuyer activities.

- a. 50.1-60% of area median income 10 points
- b. 60.1-70% of area median income 8 points
- c. 70.1-80% of area median income 6 points
- d. 40.1-50% of area median income 4 points

3. Special Needs Population Targeting (maximum of 3 categories for 12 points)
(See Definitions in the Appendices for a description of each special needs group.)

Homeless	4 points
Persons with Disabilities	4 points
Persons with a Mental Impairment	4 points
Single-Parent Households	4 points
Elderly	4 points
Migrant/Seasonal Farm Workers	4 points

4. Mixed Income / Mixed Use Developments – Single Site Only

- a. Development proposes to rent at least 10% of total units to households at or above 80% of AMI (must be non-IHCDA assisted units).

-OR-

- b. Development proposes to rent at least 20% of total units to households at or above 60% of AMI (must be non-IHCDA assisted units).

-OR-

- c. Development proposes to set aside some portion of the development for non-housing uses (i.e. commercial, retail, or office space).
4 points

Maximum Number of Points	40
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B. Activity Design

1. Creative Citizen Participation

Applicant has demonstrated that it will use creative and effective means to solicit comments from and involve citizens and potential beneficiaries. Applicants should have multiple methods of soliciting input for their development to be studied. Means of advertising, collaboration with other service providers, methods of promotion or marketing, development specific surveys, meetings times, places, and dates will be evaluated.

5 points

2. Government Participation

The Feasibility Study has received written approval for local government funding (not to include funding for any subsequent development that results from this award). Letter of commitment must be provided with the application.

7 points

3. Private Sector/Foundation Participation

The Feasibility Study has received a written commitment for funding (not to include funding for any subsequent development that results from this award) from a private company, a foundation, or other non-governmental contributor. Letter of commitment must be provided with the application.

7 points

4. Public Hearing Participation

The applicant must demonstrate via the sign-in sheet that a public hearing was held with a minimum attendance of 10 citizens. The applicant, subrecipient, and administrator staff will not be counted to meet the minimum attendance requirements.

3 points

5. Creative Advertising

The applicant has demonstrated within the application that creative solicitation methods were used to encourage public participation at the required hearing.

3 points

Maximum Number of Points	25
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C. Organizational Capacity

1. Full-Time Staff

Points will be awarded if the applicant or subrecipient has demonstrated that they have at least one full-time, paid staff person dedicated to housing activities.

4 points

Maximum Number of Points	4
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D. Readiness to Proceed

IHCDA encourages applicants to expend funds in an effective and efficient manner and will provide points for the following:

1. Contractual Agreements
Third-party contracts required to complete the Feasibility Study have been properly procured, or the applicant or subrecipient intends to implement the Feasibility Study themselves.
7 points
2. Housing Development-Related Training
Employees of the agency that will be completing the Feasibility Study have attended at least two or more separate housing related trainings within the past 24 months. This could include trainings sponsored by organizations such as, but not limited to, IACED, IHCD (including the Statewide Conference on Housing & Community Economic Development), the Housing Assistance Council, the Indiana Community Action Association, or HUD's office of Community Planning and Development.
5 points

Maximum Number of Points	12
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E. Market

1. Development Location
Development to be studied is (1) located in a "qualified census tract" of a metropolitan, non-metropolitan statistical area (as identified in Appendix B), (2) located in an Area of Chronic Economic Distress (as identified in Appendix C).
2 points
2. HOME and CDBG Funding Per Low/Mod Person
Applications will be awarded points based on the HOME and CDBG funding in a county per their low/mod-income population. See the Appendix D for a list of points by county.

Per Capita Range	Points
\$1,270.01 and Higher Low/Mod Per Capita	0
\$800.01 - \$1,270.00 Low/Mod Per Capita	1
\$600.01 - \$800.00 Low/Mod Per Capita	3
\$0 - \$600 Low/Mod Per Capita	5

3. Economic Factors
Points will be awarded based upon current economic factors of the housing activity county. Economic Factors for your county are found in Appendix E.

2003 Per Capita Income	2 point
2004 Unemployment Rate	3 points
2003 Census Poverty Rate	3 points
Highest Percentage Change in Population Between 1990 and 2000	2 point

Maximum Number of Points	17
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F. Development Characteristics

1. **Existing Structures**
Development to be studied will utilize existing structures on at least 50% of the assisted units (i.e. 50% of the assisted units will be rehabilitation projects, not new construction).
4 points
2. **Infill Housing**
The development to be studied will include infill housing (i.e. applicant will build proposed units on vacant land within an already established neighborhood, excluding phased developments or subdivisions that are less than six years old). For scattered-site housing, at least 30% of the units in the development to be studied must be developed as infill housing to qualify for these points.
4 points
3. **Historic Structure**
Development to be studied will contain at least one unit that is a historic resource to the existing neighborhood.
4 points
4. **Preserving Existing Affordable Housing**
Points will be awarded for applicants that propose to preserve existing affordable housing unit(s).
4 points
5. **Energy Conservation Building Design**
Points will be awarded to applicants who propose to incorporate significant energy efficiency features or green building techniques into the development to be studied.
 - a. **Energy Conservation Features** – Applicant proposes to include energy conservation features in the development to be studied.
4 points
 - b. **Green Building Techniques** – Applicant proposes to incorporate green building techniques in the development to be studied
4 points
 - c. **Energy Star Rated Units** – Applicant proposes to incorporate energy star rated units into the development to be studied. For more information on creating energy star rated units, please go to:
http://www.energystar.gov/index.cfm?c=new_homes.hm_earn_star.
10 points

Maximum Number of Points	34
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G. Minority or Women Business Enterprise Participation

The following points shall be awarded if such an entity materially participates in the Feasibility Study (e.g. as a consultant, application preparer, administrator, etc.). In support of the MBE/WBE categories below, you **must** submit the following with your application: all applicable development, management, and contractor agreements (complete with fee structure), the names and addresses of all owners and their respective affiliation(s), and a copy of the certificate from the Indiana Office of Administration, Office of Minority Development.

1. Minority Business Enterprise (MBE) Participation

For applicants using third-parties, IHCD will award points when a Minority Business Enterprise has been chosen. Minority Business Enterprise means an individual, partnership, corporation, or joint venture of any kind that is owned and controlled by one or more persons who are: (a) United States citizens and (b) members of a racial minority group, as evidenced by certification from the Indiana Department of Administration, Office of Minority Development. (IHCD understands that this Department does not issue certifications for housing. However, the certification from this Department is acceptable.) “Owned and controlled” means having: (a) ownership of at least 51% of the enterprise (stock of a corporation; interest in a limited liability company; or general partner of a limited partnership), (b) control over the management and being active in the day to day operation of the business, and (c) an interest in the capital, assets, profits, and losses of the business proportional to the percentage of ownership.

3 points

-OR-

2. Women Business Enterprise (WBE) Participation

For applicants using third-parties, IHCD will award points when a Women Business Enterprise has been chosen. Women Business Enterprise means an individual, partnership, corporation, or joint venture of any kind that is owned and controlled by one or more persons who are: (a) United States citizens and (b) female in gender, as evidenced by certification from the Indiana Department of Administration, Office of Minority Development. (IHCD understands that this Department does not issue certifications for housing. However, the certification from this Department is acceptable.) “Owned and controlled” means having: (a) ownership of at least 51% of the enterprise (stock of a corporation, interest in a limited liability company, or general partner of a limited partnership), (b) control over the management and being active in the day to day operation of the business, and (c) an interest in the capital, assets, profits, and losses of the business proportional to the percentage of ownership.

3 points

Maximum Number of Points	3
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H. Points for Completeness Issues / Technical Errors

Five points will be added to the applicant’s total score if the application is found to be complete and free of technical errors.

Maximum Number of Points	5
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Notwithstanding the point ranking system set forth above, IHCDa reserves the right and shall have the power to allocate funds to a Feasibility Study irrespective of its point ranking, if such intended allocation is: (1) in compliance with applicable statutes; (2) in furtherance of promoting affordable housing; and (3) determined by IHCDa's Board of Directors to be in the interests of the citizens of the State of Indiana.

Assistance will be provided in the form of grants; however, funds will be awarded only in amounts appropriate to the scope of the identified need. IHCDa reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.